

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
BOARD ACTION SUMMARY

DEPT: District Attorney

BOARD AGENDA: 6.B.6
AGENDA DATE: October 30, 2018

SUBJECT:

Approval to Accept the Fiscal Year 2018-2019 Grant Award from the California Department of Insurance for the District Attorney's Office Auto Insurance Fraud Program

BOARD ACTION AS FOLLOWS:

RESOLUTION NO. 2018-0525

On motion of Supervisor Withrow _____, Seconded by Supervisor Chiesa _____
and approved by the following vote,

Ayes: Supervisors: Olsen, Chiesa, Withrow, Monteith, and Chairman DeMartini _____


Noes: Supervisors: None _____

Excused or Absent: Supervisors: None _____

Abstaining: Supervisor: None _____

- 1) Approved as recommended
- 2) Denied
- 3) Approved as amended
- 4) Other:

MOTION:

ATTEST: 
ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: District Attorney

BOARD AGENDA:6.B.6
AGENDA DATE: October 30, 2018

CONSENT:

CEO CONCURRENCE: YES

4/5 Vote Required: Yes

SUBJECT:

Approval to Accept the Fiscal Year 2018-2019 Grant Award from the California Department of Insurance for the District Attorney's Office Auto Insurance Fraud Program

STAFF RECOMMENDATION:

1. Authorize the District Attorney to accept a grant award from the California Department of Insurance for the District Attorney's Office Automobile Insurance Fraud Program in the amount of \$173,093.
2. Approve a formal resolution as required by the California Department of Insurance to receive this grant.
3. Direct the Auditor-Controller to decrease estimated revenue and appropriations by \$34,794 as detailed in the attached Budget Journal form.

DISCUSSION:

In Fiscal Year 1996-1997, the District Attorney's Office was awarded funding approved by the Board of Supervisors for the Automobile Insurance Fraud Program Grant. Each Fiscal Year the Department receives a request for application. Fiscal Year 2018-2019 will be the 22nd consecutive year the District Attorney's Office will have received funding from the California Department of Insurance (DOI) for the Automobile Insurance Fraud Program Grant.

Insurance fraud affects the citizens of Stanislaus County through increased insurance rates. The District Attorney's Office is committed to the investigation and prosecution of those who commit insurance fraud. During Fiscal Year 2017-2018, \$404,000 in chargeable fraud was attributed to economic car theft. The Criminal Investigator assigned to the Automobile Insurance Fraud unit reviewed 120 fraud claims for the same period.

In Fiscal Year 2018-2019, the objectives of the grant will continue to focus on economic vehicle theft and its relation to auto insurance fraud. The Auto Insurance Fraud Program budget has two allocated positions: one Criminal Investigator II that is fully funded by this grant and one Paralegal III that is currently vacant due to lack of funding. The Criminal Investigator will continue to work with the Stanislaus County Auto Theft Task Force. (In previous years, when more funding has been awarded, it has been used to offset the cost of a Deputy District Attorney position in the Criminal Division budget who supports Auto Fraud Program prosecutions.) This grant also funds operating expenditures which include wireless communications and grant audit related expenditures as required by the DOI. Training for the Auto Insurance Program staff is not included in this grant year's budget, as had been included in previous years, due to the insufficient award amount received. If additional funding is awarded during Fiscal Year 2018-2019, the Department will return to the Board and request to use the additional monies to fund training for Automobile Insurance Fraud staff.

POLICY ISSUE:

This agenda item is being submitted for Board approval to accept the grant and adopt a formal resolution as required by the grant.

FISCAL IMPACT:

Estimated revenues and appropriations of \$207,887 were budgeted in the Fiscal Year 2018-2019 Adopted Final Budget for this grant. The Department was notified by the DOI that an award amount of \$173,093 would be received, which is \$34,794 less than anticipated in estimated revenue for Fiscal Year 2018-2019. The estimated revenue and appropriations will be decreased by \$34,794, as detailed in the attached Budget Journal form.

BOARD OF SUPERVISORS' PRIORITY:

The recommended actions are consistent with the Board's priority of *Supporting Strong and Safe Neighborhoods* by providing resources to support investigations and prosecution of those who commit auto insurance fraud.

STAFFING IMPACT:

The grant continues to fund a Criminal Investigator II position. Currently, a Paralegal III position is allocated to this budget unit and remains vacant due to lack of funding from the DOI.

CONTACT PERSON:

Dave Harris, Assistant District Attorney Telephone: 209-525-5550

ATTACHMENT(S):

1. Budget Journal
2. Resolution
3. Grant Award Agreement

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA

2018-0525

Date: October 30, 2018

On motion of Supervisor Withrow Seconded by Supervisor Chiesa

and approved by the following vote,

Ayes: Supervisors: Olsen, Chiesa, Withrow, Monteith, and Chairman DeMartini

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

THE FOLLOWING RESOLUTION WAS ADOPTED: Item # 6.B.6

STANISLAUS COUNTY BOARD OF SUPERVISORS
FY 2018-2019 AUTOMOBILE INSURANCE FRAUD PROGRAM

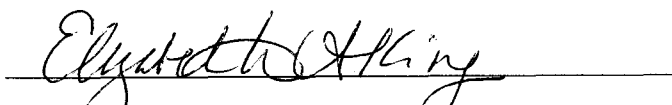
WHEREAS, the Stanislaus County Board of Supervisors desires to continue a certain program designated AUTOMOBILE INSURANCE FRAUD PROGRAM to be funded in part from funds made available through the AUTOMOBILE-CALIFORNIA INSURANCE CODE Section 1872.8, California Code of Regulations Title 10, Section 2698.60 et seq., administered by the California Department of Insurance.

NOW, THEREFORE, BE IT RESOLVED that the District Attorney of Stanislaus County is hereby authorized on its behalf to accept this grant award including any extensions or amendments from thereof.

IT IS AGREED that any liability arising out of the performance of the Grant Award Agreement, including civil court actions for damages, shall be the responsibility of the grant recipient and the authorizing agency. The State of California and the California Department of Insurance disclaim responsibility for any such liability.

BE IT FURTHER RESOLVED that grant funds received hereunder shall not be used to supplant expenditures controlled by this body.

ATTEST: **ELIZABETH A. KING, Clerk**
Stanislaus County Board of Supervisors,
State of California



File No.

**INSURANCE COMMISSIONER
OF THE STATE OF CALIFORNIA**

GRANT AWARD AGREEMENT

Fiscal Year 2018-19

Automobile Insurance Fraud Program

The Insurance Commissioner of the State of California hereby makes an award of funds to **Stanislaus County**, Office of the District Attorney, in the amount and for the purpose and duration set forth in this grant award.

This grant award consists of this agreement and the application for the grant and made a part hereof. By acceptance of the grant award, the grant award recipient agrees to administer the grant project in accordance with all applicable statutes, regulations and Request-for-Application (RFA).

Duration of Grant: The grant award is for the program period, **July 1, 2018** through **June 30, 2019**.

Purpose of Grant: This grant award is made pursuant to the provisions of California Insurance Code §1872.8 and shall be used solely for the purposes of enhanced investigation and prosecution of automobile insurance fraud and economic car theft cases.

Amount of Grant: The grant award agreed to herein is in the amount of **\$173,093**. This amount has been determined by the Insurance Commissioner. However, the actual total award amount for the county is contingent on the collection and the authorization for expenditure pursuant to the Government Code §13000 et seq. The grant award shall be distributed pursuant to §1872.8 of the Insurance Code and to the California Code of Regulations Sub-Chapter 9, Article 4, §2698.65.

Official Authorized to Sign for Applicant/Grant Recipient _____ Name: Birgit Fladager Title: District Attorney Address: 832 12th Street, Room 300 Modesto, CA 95354 Date: _____	DAVE JONES Insurance Commissioner _____ Name: George Mueller Title: Deputy Commissioner Date: _____
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I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purposes of this expenditure.

Crista Hill, Budget Officer, CDI

Date